

## CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number \_\_\_\_\_

Meeting Type: Regular

Meeting Date: 11/1/2012

Action Requested By:  
Legal

Agenda Item Type  
Resolution

Subject Matter:

Invoking letter of credit

Exact Wording for the Agenda:

Resolution authorizing the Clerk Treasurer to Invoke BancorpSouth Bank Letter of Credit No. 362000702382 for Stonegate Phase 2 Subdivision.

**Note: If amendment, please state title and number of the original**

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 10/26/2012

RESOLUTION NO. 12-\_\_\_\_\_

WHEREAS, BancorpSouth Bank issued a certain letter of credit (No. 362000702382), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to BancorpSouth Bank Letter of Credit No. 362000702382, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 1st day of November, 2012.

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President of the City Council  
of the City of Huntsville,  
Alabama

APPROVED this the 1st day of November, 2012.

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Mayor of the City of  
Huntsville, Alabama



S/w  
ext

Amendment #001  
To  
Irrevocable Standby Letter of Credit  
BancorpSouth Bank  
Tupelo, Mississippi

Amendment Number 001  
Amendment Number 001 November 12, 2011  
Letter of Credit Number: 362000702382  
Original Issuance Date: November 16, 2010

**Beneficiary:**  
City of Huntsville, Alabama  
Clerk-Treasurer Office  
308 Fountain Circle  
Huntsville, AL 35801

**Applicant:**  
Wright Homes, LLC  
1787 Jeff Rd. NW  
Huntsville, AL 35801

**Name of Subdivision:** Article 5 Sidewalk Letter of Credit for Stonegate Phase 2, A Resubdivision of a part of Lot 1 of Village of Stonegate

**Re:** Sidewalks

M/S  
11/17/11

MW  
11-17-11

AK  
11-18-11

OK  
CE10  
11/21/11

Dear Sir or Madam:

The above referenced Irrevocable Standby Letter of Credit ("Letter of Credit") in the aggregate amount of \$119,535.00 is hereby amended on the indicated Amendment Number 001 Date as follows:

- The Date of Expiry is extended from November 12, 2011 to November 12, 2012.

ALL OTHER TERMS AND CONDITIONS STATED IN THE AFOREMENTIONED LETTER OF CREDIT REMAIN UNCHANGED.

This amendment forms an integral part of the Letter of Credit and must be attached thereto. The Beneficiary is requested to notify us promptly and in writing if this amendment is not accepted by the Beneficiary. Rejection of any part of this amendment constitutes rejection of the entire amendment.

BANCORPSOUTH BANK

BY:

David E. Ferrell

ITS Senior Vice President



**BancorpSouth**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**Date of Issuance:** November 16, 2010

**No.:** 362000702382

**Place of Issuance:** BancorpSouth Bank

201 South Spring Street

P.O. Box 789

Tupelo, MS 38802

Attn: Trade Finance Department

**Date of Expiry:** November 12, 2011

**Place of Presentment/Expiry:** BancorpSouth Bank

603 Madison Street

Huntsville, Alabama 35801

Attn: Huntsville Division President

**Beneficiary:**

City of Huntsville, Alabama

Clerk-Treasurer Office

308 Fountain Circle

Huntsville, AL 35801

**Applicant:**

Wright Homes LLC

1787 Jeff Rd NW

Huntsville, AL

**Bank:**

BancorpSouth Bank

201 South Spring St.

P.O. Box 789

Tupelo, MS 38802

Attn: Trade Finance Dept.

**Subject:** Article 5 Sidewalk Letter of Credit for Stonegate Phase 2, A Resubdivision of a part of Lot 1 of Village of Stontegate

**Amount:** \$119,535.00 USD

**Gentlemen:**

We hereby issue our Irrevocable Standby Letter of Credit in your favor for the account of the above-stated applicant for a sum not to exceed the above-stated amount, available by one or more of your drafts drawn on sight at the above-stated address or at the Office of the BancorpSouth Bank in the City of Huntsville, Alabama.

All draft(s) drawn under and in compliance with the terms of this Letter of Credit will be duly honored if drawn and presented for payment on or before the expiration date noted above and accompanied by a signed statement from a representative of the City of Huntsville, Alabama stating: "This draw is being made pursuant to Article 5 of the Subdivision Regulations."

The original of this Letter of Credit must be presented with any drawing. This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to the Alabama Uniform Commercial Code, as the same may be amended from time to time.

**BANCORPSOUTH BANK**

By

David E. Ferrell

Its: Senior Vice President

OK  
CEH  
11/22/10

OK JH 11/15/10